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January 29, 2007

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When calling relative to this
matter, refer to file No. 1447.

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

Re: Gray Sand, Reservoir A
Terryville Field
Lincoln Parish, Louisiana

APPLICATION FOR PUBLIC HEARING

Dear Sir:

KCS Resources, Inc. hereby makes application pursuant to the revised rules of procedure for a public hearing to consider evidence relating to the following matters pertaining to the Gray Sand, Reservoir A, in the Terryville Field, Lincoln Parish, Louisiana:

1. To authorize KCS Resources, Inc. to designate and utilize an alternate unit well for GRAY RA SUMM at the location shown on the attached plat;
2. To determine that there is a need for an alternate unit well on GRAY RA SUMM to efficiently and effectively recover hydrocarbons underlying the unit which cannot be recovered from any other well located on said unit;
3. To authorize the unit allowable for GRAY RA SUMM to be recovered from the existing wells located on the unit, the proposed well, or any combination thereof, at the discretion of the operator; and
4. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

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Office of Conservation
January 29, 2007
Page 2

The Gray Sand, Reservoir A, in the Terryville Field, Lincoln Parish, Louisiana, was defined in Office of Conservation Order No. 370-E, effective May 23, 1979.

The subject matter of this application does not require the issuance of a Pre-Application Notice.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Tom Lindley, 416 Travis Street, Suite 804, Shreveport, Louisiana 71101, at telephone number (318) 425-4789.

The persons named on the list attached to the copies of this application being sent to the Office of Conservation includes the names of all Interested Owners, Represented Parties and Interested Parties known to Applicant after a diligent search. A copy of this application, with plat attached, is being sent to each such party. Pursuant to Office of Conservation regulations, the list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation; however, the list of parties will be provided to any person requesting a copy of it. Also enclosed is the application fee.

Yours very truly,

COOK, YANCEY, KING & GALLOWAY


J. William Fleming

jwf:s
Enclosures

cc: James C. Broussard, District Manager
Interested Owners, Represented
Parties and Interested Parties
Mr. Tom Lindley
Mr. Craig Barclay

